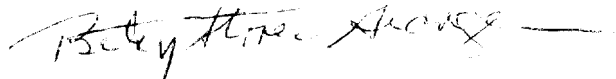


We are anxious to offer our PCS service to the public in a mass market approach that the Commission seeks. Imposing additional and unnecessary requirements such as those sought by our competitors will only increase our costs and benefit our competitors. The end result would be damage to competition, which is contrary to the public interest. We respectfully request that the Commission approve our Plan without delay.

Respectfully submitted,

PACIFIC BELL
NEVADA BELL
PACIFIC BELL MOBILE SERVICES
PACIFIC TELESIS MOBILE SERVICES



JAMES P. TUTHILL
BETSY STOVER GRANGER

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(510) 227-3140

JAMES L. WURTZ
MARGARET E. GARBER

1275 Pennsylvania Avenue, NW
Washington, D.C. 20004
(202) 383-6472

Their Attorneys

Date: September 12, 1995

EXHIBIT 1

William F. Adler
Executive Director
Federal Regulatory Relations

1275 Pennsylvania Avenue, N.W., Suite 400
Washington, D.C. 20004
(202) 383-6435

PACIFIC  TELESIS.
Group - Washington

RECEIVED

FEB 11 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

EX PARTE

RECEIVED

FEB 11 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

February 11, 1993

Donna R. Searcy, Secretary
Federal Communications Commission
1919 M Street, N.W. - Room 222
Washington, D.C. 20554

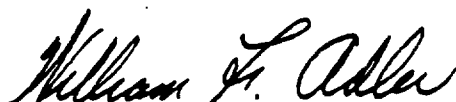
Re: GEN. Docket No. 90-314, Personal Communications
Services

Dear Ms. Searcy:

On February 10, 1993, Sam Ginn, Chairman and Chief Executive Officer of Pacific Telesis Group ("Pactel"), and Ron Stowe, Vice President, Pacific Telesis Group-Washington, met separately with Chairman Quello, Commissioner Duggan and Commissioner Barrett to discuss a number of issues. During each meeting Mr. Ginn reiterated Pactel's position that it is not in the public interest to restrict the eligibility of local exchange carriers to acquire spectrum allocated for Personal Communications Services.

I am filing two copies of this letter and its attachment in accordance with Section 1.1206(a)(2) of the Commission's rules. Please contact me if you have any questions concerning this matter.

Sincerely,



CC: Chairman Quello
Commissioner Barrett
Commissioner Duggan

EXHIBIT 2

William F. Adler
Executive Director
Federal Regulatory Relations

1275 Pennsylvania Avenue N.W., Suite 400
Washington, D.C. 20004
(202) 383-6435

PACIFIC TELESIS
Group - Washington

EX PARTE

August 13, 1993

William F. Caton, Acting Secretary
Federal Communications Commission
1919 M Street, N.W. - Room 222
Washington, D.C. 20554

RECEIVED
AUG 13 1993
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: GEN. Docket No. 90-314, Personal Communications Services

Dear Ms. Searcy:

On August 13, 1993, E.Y. Snowden and Jim Tuthill, from Pacific Bell, and the undersigned met with Beverly Baker, Deputy Chief of the Private Radio Bureau, Linda Oliver and Randy Coleman of Commissioner Duggan's office, and Kathie Levitz, Chief of the Common Carrier Bureau, and members of her staff regarding several issues in the subject proceeding. We distributed the attached written material. In addition, we described how the number of licensees and amounts of spectrum assigned might affect achievement of the Commission's goals of competition and diversity.

I am filing two copies of this letter and its attachment in accordance with Section 1.1206(a) of the Commission's rules. Please contact me if you have any questions concerning this matter.

Sincerely,



Attachment

CC (w/o attachment):
Beverly Baker
Linda Oliver
Randy Coleman
Kathie Levitz
Myron Peck
Kelly Cameron

Personal Communications Services



Bringing Mobility to the Mass Market

August 13, 1993

PACIFIC TELESIS GROUP IS UNIQUELY QUALIFIED AS A PCS PROVIDER



- **With its affiliate, Telesis Technologies Laboratory, Pacific has been a leader in PCS development, tests and trials.**
 - **As described in our November Comments, Pacific's participation would further the Commission's objectives in bringing PCS to the mass market due to:**
 - **Expertise with mass market, and**
 - **Experience in building and operating large scale networks.**
 - **Pacific Bell, the Local Exchange Carrier, has recently announced aggressive increases in its investment in infrastructure which will benefit PCS providers**
 - **\$1B in new digital switches**
 - **\$0.7B in fiber and SONET electronics**
 - **If spinoff of PacTel Companies is approved, Pacific will have no cellular affiliate in its local exchange service areas.**
-

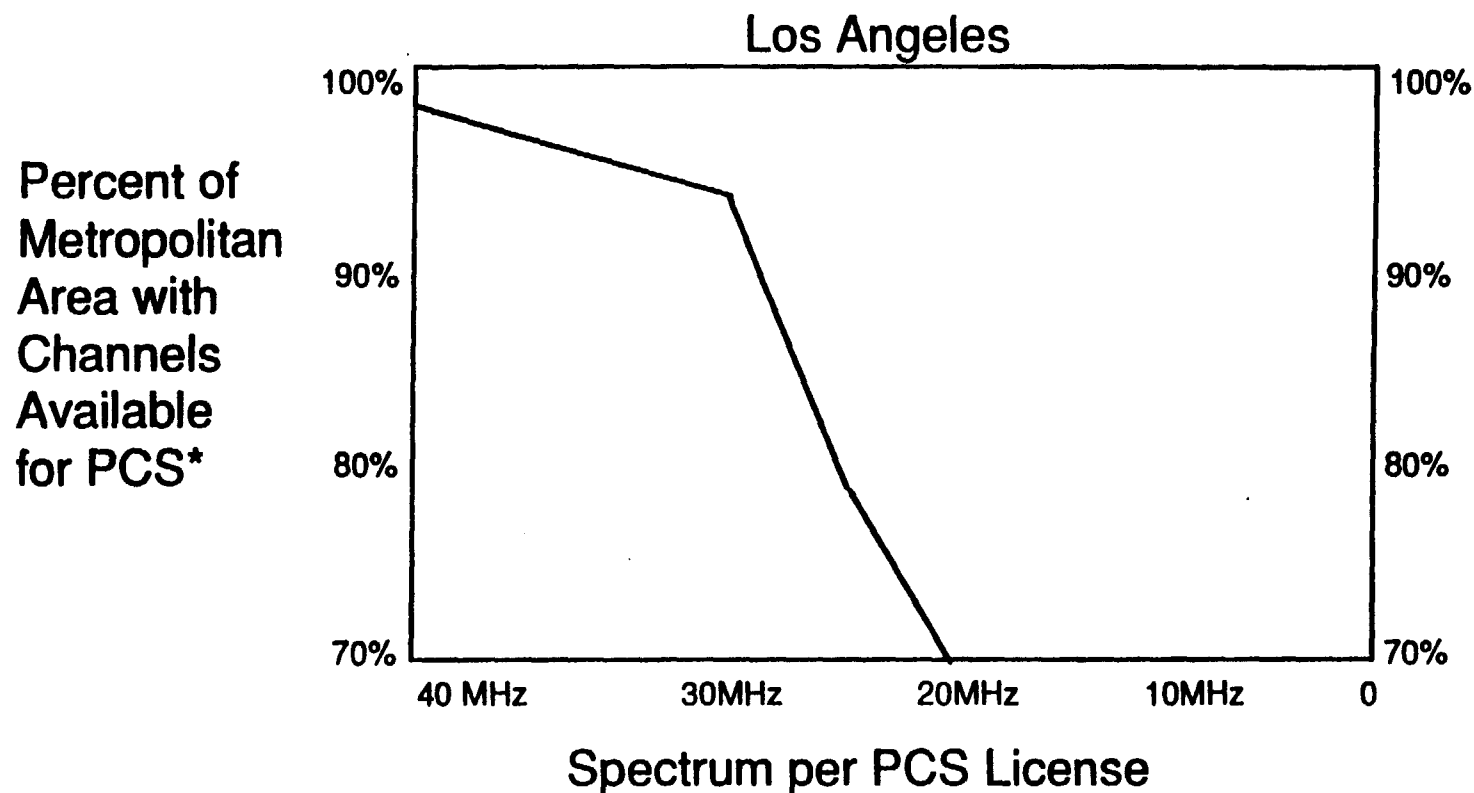
PCS LICENSING STRUCTURE MUST ALLOW NEW LICENSE HOLDERS TO BE VIABLE IN A VERY COMPETITIVE WIRELESS MARKETPLACE

PACIFIC  BELL
A Pacific Telesis Company

- **Promoting competition and diversity of services are two of the FCC's goals for PCS.**
 - **While a larger number of licenses appears to support these objectives, there must be sufficient value creation potential for new license holders to have the incentive to build and operate new systems serving new segments on a broad basis.**
 - **With established cellular and SMR competitors, a maximum of three new service providers will be viable in the largest metropolitan areas.**
 - **Competitiveness of these new service providers is diminished by:**
 - **more licenses than can be viably sustained**
 - **less spectrum than established competitors can aggregate**
-

SMALL PCS LICENSES WILL DELAY PCS INTRODUCTION FOR SEVERAL MORE YEARS DUE TO INABILITY TO SHARE WITH EXISTING MICROWAVE USERS

PACIFIC  BELL
A Pacific Telesis Company



*Based upon low power service (20mW peak transmit power, 350KHz channel bandwidth). Higher powered service would have lower availability.

Source: Telesis Technologies Laboratory

PACIFIC RECOMMENDS THE ALLOCATION OF MORE THAN 20MHz FOR UNLICENSED USE

- In order to make the "Anytime, anywhere" vision of PCS a reality, more than 20MHz needs to be allocated to unlicensed services.
 - Market research indicates other peoples' offices will be one of the most important venues, following home, office and car
 - Other offices likely served by private networks
 - Diverse in-building needs (e.g., voice and data) would be well served by unlicensed spectrum
 - Public access on private networks requires part of the unlicensed band have CAI
 - The density and high usage of in-building wireless gives need for greater unlicensed allocation, not less
 - each 100 users per floor requires 10MHz
 - Combination of FDD and TDD unlicensed spectrum allows for economic public outdoor services as well as in-building services.
-

SALE AND PURCHASE OF LICENSES IN SECONDARY MARKETS WILL EXPEDITE THE EFFICIENT DEPLOYMENT OF PCS

PACIFIC  BELL
A Pacific Telesis Company

- **Positive economic outcomes afforded by a freely operating secondary market:**
 - **A means to address geographic coverage and system capacity**
 - **Overcome "probabilistic" holes in coverage inherent in auctions or lotteries**
 - **Build-out requirement assumed by the secondary purchaser**
 - **The FCC should permit the immediate resale of licenses following auctions or lotteries.**
-

EXHIBIT 3

William F. Adler
Executive Director
Federal Regulatory Relations

1275 Pennsylvania Avenue, N.W., Suite 400
Washington, D.C. 20004
(202) 383-6435

PACIFIC  TELESIS.
Group-Washington

EX PARTE

September 15, 1993

William F. Caton, Acting Secretary
Federal Communications Commission
1919 M Street, N.W. - Room 222
Washington, D.C. 20554

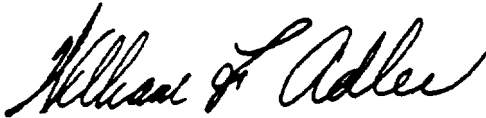
Re: GEN. Docket No. 90-314, Personal Communications
Services

Dear Mr. Caton:

On September 15, 1993, Jack Hancock and E.Y. Snowden of Pacific Bell and Ron Stowe, Vice President, Pacific Telesis Group-Washington, met separately with Commissioner Barrett and Jeff Hoagg, Chairman Quello and Brian Fontes, and Commissioner Duggan and Randy Coleman regarding several issues in the subject proceeding. They distributed the attached written material.

I am filing two copies of this letter and its attachment in accordance with Section 1.1206(a) of the Commission's rules. Please contact me if you have any questions concerning this matter.

Sincerely,



Attachment

CC (w/o attachment):
Chairman Quello
Commissioner Barrett
Commissioner Duggan
Brian Fontes
Jeff Hoagg
Randy Coleman

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SEP 15 1993
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Personal Communications Services



Bringing Mobility to the Mass Market

September 15, 1993

PACIFIC TELESIS IS UNIQUELY QUALIFIED AS A PCS PROVIDER.



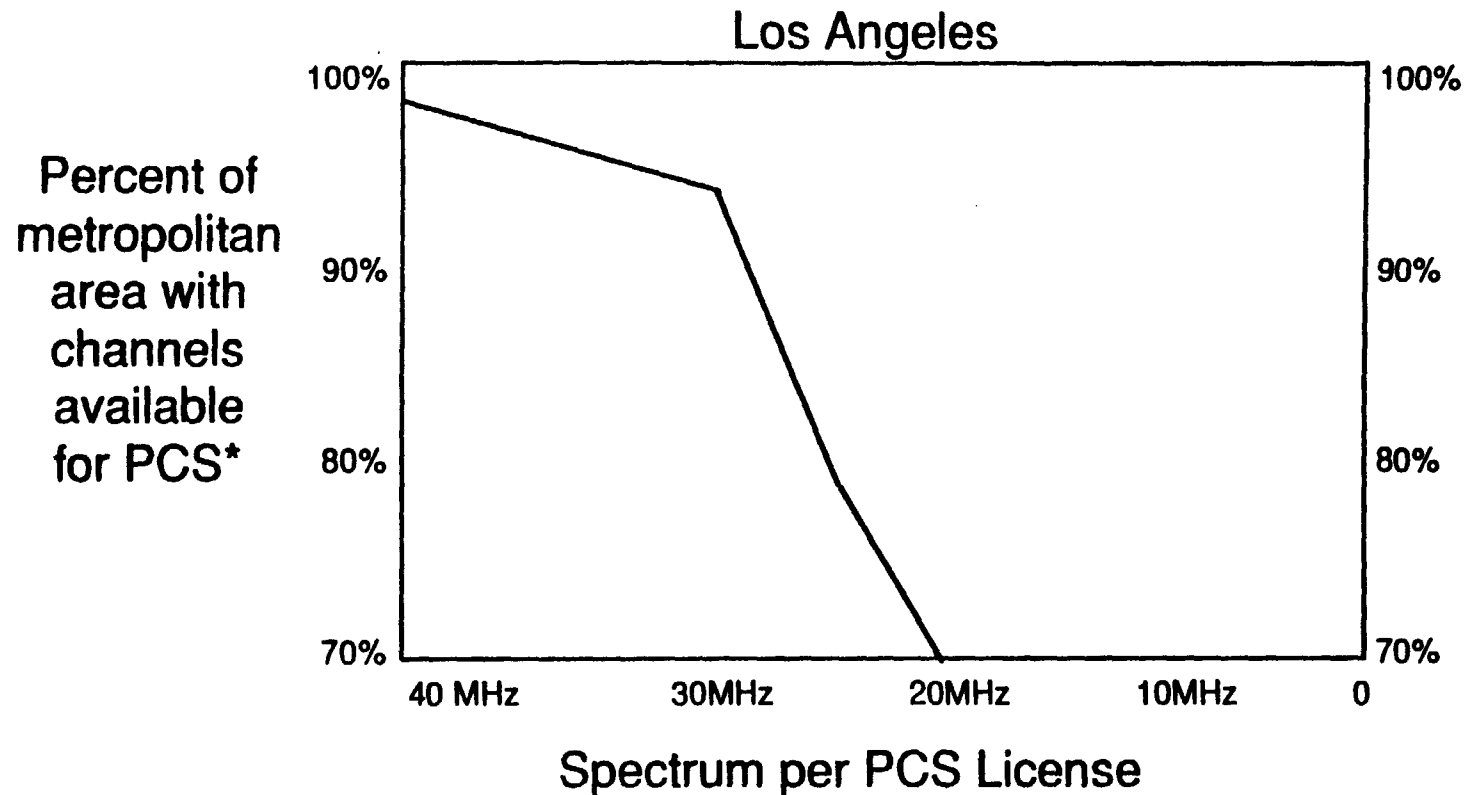
- **Pacific's participation furthers the Commission's objective of deploying mass market PCS because of its:**
 - **Expertise in mass market services, and**
 - **Experience in building and operating large scale networks.**
 - **Pacific has been a leader in PCS development, tests and trials with its affiliate, Telesis Technologies Laboratory.**
 - **Pacific Bell has announced dramatic increases in its investment program which will benefit all PCS providers:**
 - **\$1B in new digital switches**
 - **\$0.7B in fiber and SONET electronics.**
 - **Pacific Bell's 1993 capital budget is 22% of sales. The average for American corporations is 11%.**
 - **If the spinoff of Pactel Companies is completed, Pacific Bell will have no cellular affiliate in its local exchange service areas.**
-

PCS LICENSING STRUCTURE MUST ALLOW NEW LICENSE HOLDERS TO BE VIABLE IN A VERY COMPETITIVE WIRELESS MARKETPLACE.

- **Promoting competition and diversity of services are two of the FCC's goals for PCS.**
 - **While a larger number of licenses appears to support these objectives, there must be sufficient value creation potential for new license holders to have the incentive to build and operate new systems serving new segments on a broad basis.**
 - **With established cellular and SMR competitors, a maximum of three new service providers will be viable in the largest metropolitan areas.**
 - **Existing players will likely bid more for spectrum:**
 - **for defensive reasons as well as opportunistic reasons**
 - **necessitating segregation of new competitors' blocks from cellular and SMR-eligible blocks.**
 - **Competitiveness of new service providers is diminished by:**
 - **more licenses than can be viably sustained**
 - **less spectrum than established competitors can aggregate**
 - **protracted negotiation with incumbent microwave users.**
-

SMALL PCS LICENSES WILL DELAY PCS INTRODUCTION FOR SEVERAL MORE YEARS DUE TO INABILITY TO SHARE WITH EXISTING MICROWAVE USERS.

PACIFIC BELL
A Pacific Telesis Company

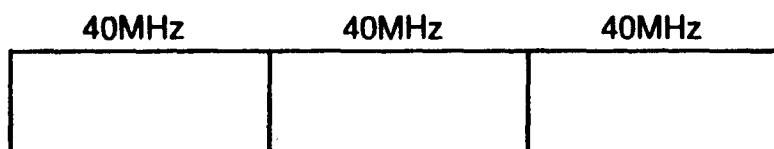


*Based upon low power service (20mW peak transmit power, 350KHz channel bandwidth). Higher powered service would have lower availability.

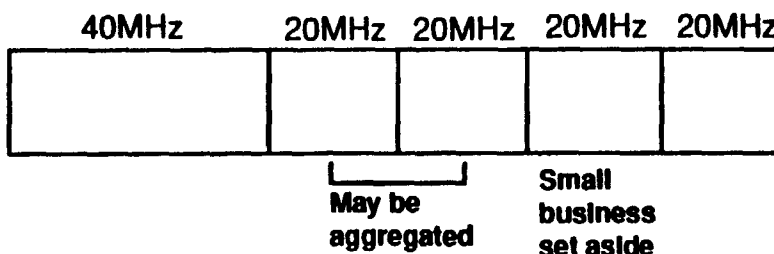
Source: Telesis Technologies Laboratory

THE SELECTED LICENSING SCHEME MUST BALANCE ECONOMIC, COMPETITIVE AND DIVERSITY FACTORS.

- To optimize the Commission's original four PCS objectives in a very competitive wireless marketplace, Pacific Bell would propose three equally sized PCS licenses per serving area:



- Pacific Bell would support an alternative scheme which accomodates the diverse needs of small business and cellular eligibility:



RULES DEFINING ELIGIBILITY TO BID FOR AND AGGREGATE SPECTRUM SHOULD ACKNOWLEDGE COMPANIES UNDERTAKING CELLULAR SPINOFFS.



- **With many firms discussing spinoffs, well-defined rules must be established to prevent arbitrage while recognizing the lengthy regulatory approval and financing process.**
- **Pacific Bell will have no cellular affiliate in its serving areas if the spinoff of PacTel Companies is completed.**
- **If completion of the spinoff is still pending at the time of auctions, Pacific Bell could be foreclosed from bidding for spectrum or combining spectrum in its serving areas.**
- **Companies should be eligible to submit separate bids at spectrum auction if they have completed the following steps:**
 - **Made nationwide press announcement of planned spinoff**
 - **Filed for transfer of relevant FCC licenses**
 - **Filed for a tax ruling from IRS**
 - **Filed for other state approvals.**
- **If the separation is not complete when the FCC issues licenses, one of the licenses is forfeited back to the FCC with no refund of auction proceeds.**

CONCLUSIONS

- **Pacific Telesis brings unique qualifications to the PCS marketplace.**
 - **The new licensing structure should produce viable new PCS providers in the competitive wireless marketplace.**
 - **Small licenses will delay PCS due to inability to share with existing microwave users.**
 - **The licensing structure must support a diverse and competitive wireless industry.**
 - **Rules defining eligibility to bid for and aggregate spectrum must acknowledge companies undertaking cellular spinoffs.**
-

CERTIFICATE OF SERVICE

I, Una Curran, do hereby certify that a copy of the foregoing REPLY COMMENTS OF PACIFIC BELL, NEVADA BELL, PACIFIC BELL MOBILE SERVICES AND PACIFIC TELESIS MOBILE SERVICES was mailed this 12th day of September, 1995, via first class United States mail, postage prepaid to the parties listed below.

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Una Curran

Una Curran